Heartbeat of Miami, Inc.
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Blandon CPA

BLANDON CPA, PLLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Heartbeat of Miami, Inc.
Miami, Florida

Opinion

We have audited the accompanying financial statements of Heartbeat of Miami, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosure in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.650, *Rules of the State of Florida Auditor General*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of state financial assistance is fairly stated, in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025 on our consideration of Heartbeat of Miami, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Heartbeat of Miami, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Heartbeat of Miami, Inc.'s internal control over financial reporting and compliance.

Blandon CPA PLLC

Miami, Florida
December 29, 2025

Heartbeat of Miami, Inc.
Statement of Financial Position
December 31, 2024

ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 1,519,584
Grants receivable	128,127
Prepaid expenses and other current assets	3,099
TOTAL CURRENT ASSETS	1,650,810
RIGHT-OF-USE ASSETS	171,625
TOTAL ASSETS	**$ 1,822,435**
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	$ 4,785
Current portion of operating lease liabilities	85,587
TOTAL CURRENT LIABILITIES	90,372
OPERATING LEASE LIABILITIES, NET OF CURRENT PORTION	95,058
TOTAL LIABILITIES	185,430
COMMITMENTS AND CONTINGENCIES (NOTE 4)	
NET ASSETS	
Without donor restrictions	1,637,005
TOTAL NET ASSETS	1,637,005
TOTAL LIABILITIES AND NET ASSETS	**$ 1,822,435**

The accompanying notes are an integral part of these financial statements.

Heartbeat of Miami, Inc.
Statement of Activities
For The Year Ended December 31, 2024

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:	
REVENUES	
Grant revenue	$ 952,836
Contributions and public support	560,108
Donated facility	46,000
Special events, net	10,249
TOTAL REVENUES WITHOUT DONOR RESTRICTIONS	1,569,193
EXPENSES	
Program services	875,142
Management and general	310,170
Fundraising	55,275
TOTAL EXPENSES	1,240,587
CHANGE IN NET ASSETS	328,606
NET ASSETS - BEGINNING OF YEAR	1,308,399
NET ASSETS - END OF YEAR	**$ 1,637,005**

The accompanying notes are an integral part of these financial statements.

Heartbeat of Miami, Inc.
Statement of Functional Expenses
For The Year Ended December 31, 2024

		Supporting Services		
	Program Services	Management and General	Fundraising	Total Expenses
Expenses				
Salaries, payroll taxes and employee benefits	$ 641,444	$ 171,052	$ 42,763	$ 855,259
Occupancy	77,564	20,684	5,171	103,419
Office expenses and supplies	29,212	7,790	1,947	38,949
Insurance	21,932	5,848	1,462	29,242
Travel	18,904	5,041	1,260	25,205
Utilities, telephone and internet	32,211	8,590	2,147	42,948
Advertising	4,657	1,242	310	6,209
Depreciation and amortization	-	80,046	-	80,046
Donated facility	46,000	-	-	46,000
Interest expense	-	9,019	-	9,019
Miscellaneous expenses	3,218	858	215	4,291
	$ 875,142	**$ 310,170**	**$ 55,275**	**$ 1,240,587**

The accompanying notes are an integral part of these financial statements.

Heartbeat of Miami, Inc.
Statement of Cash Flows
For The Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$	328,606
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization		80,046
Accretion of operating lease costs		(70,498)
Changes in operating assets and liabilities:		
Accounts receivable		(13,439)
Accounts payable and accrued expenses		(1,901)
NET CASH PROVIDED BY OPERATING ACTIVITIES		322,814
NET INCREASE IN CASH AND CASH EQUIVALENTS		322,814
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR		1,196,770
CASH AND CASH EQUIVALENTS - END OF YEAR	**$**	**1,519,584**

The accompanying notes are an integral part of these financial statements.

Heartbeat of Miami, Inc.
Notes To Financial Statements
December 31, 2024

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Heartbeat of Miami, Inc. (the "Organization") is a Florida nonprofit corporation, exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization operates free pregnancy help medical clinics throughout the Greater Miami area, providing education, counseling, pregnancy testing, sonograms, support services, and material assistance to women and couples facing unplanned pregnancies, with the goal of empowering them to make informed decisions and access compassionate care.

Basis of Presentation

The financial statements of the Organization are prepared using the accrual basis of accounting under accounting principles generally accepted in the United States of America ("U.S. GAAP").

The classification of a not-for-profit Organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets be displayed in the statements of financial position and that the amounts of change in each of those classes of net assets be displayed in the statement of activities.

In accordance with U.S. GAAP, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions – net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions – net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all liquid investments with an original maturity at purchase of three months or less to be cash equivalents.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentrations of Credit Risk

Revenue Sources

The Organization's main source of revenue is derived from funds received through a grant contract with the Florida Pregnancy Care Network ("FPCN"). Funds received through this grant contract during the year ending December 31, 2024 totaled approximately $876,000, comprising 59% of the Organization's total revenues.

Cash Deposits

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of cash balances in excess of federally insured limits. As of December 31, 2024, the Organization's cash balances were fully insured by the Federal Deposit Insurance Corporation ("FDIC"). At times during the year, cash held in deposits may exceed FDIC limits. The Organization mitigates this risk by maintaining its cash balances at high quality financial institutions.

Grants Receivable

Grants receivable result from services which have been provided pursuant to its grants and contracts, but for which reimbursement has not yet been received. The grants receivable at December 31, 2024 totaled $128,127. The Organization does not maintain an allowance for estimated uncollectible accounts as any amounts determined unallowable by the grantor are deducted from revenue upon notification of the disallowance. No material amounts were subsequently disallowed with respect to the amounts recorded as of December 31, 2024.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation. The Organization capitalizes expenditures for property and equipment in excess of $1,000. Depreciation is calculated using the straight-line method and is calculated using the estimated useful lives of the related assets, which are as follows:

	Useful life
Computer equipment	3 years
Furniture and fixtures	5 years

Maintenance and repairs are charged to expense when incurred.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

In the ordinary course of business, the Organization enters into agreements for its office spaces. The Organization reviews all agreements to determine if a leasing arrangement exists. When a leasing arrangement is identified, a determination is made at inception as to whether the lease is an operating or a finance lease. A lease exists when a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In determining whether a lease exists, the Organization considers whether a contract provides both the right to obtain substantially all of the economic benefits from the use of an asset and the right to direct the use of the asset. Right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of the minimum future lease payments over the expected term of the lease. The Organization's lease assets are concentrated in the use of office space.

Leases with an initial term of twelve months or less are classified as short-term leases and are not recognized in the balance sheet unless the lease contains a purchase option that is reasonably certain to be exercised, or unless it is reasonably certain that the asset will be leased for greater than twelve months. Lease payments for short-term leases are recognized on a straight-line basis over the lease term. Lease determinations are reassessed in the event of a change in lease terms. The Organization does not have any sublease arrangements.

As of December 31, 2024, the Organization's leases have remaining lease terms of up to three years. Lease agreements may contain renewal clauses, which, if elected, generally extend the term of the lease for up to one year. The Organization elected the practical expedient, which has been applied consistently to all of its leases, to use hindsight in determining the lease term (that is, when considering lessee options to extend or terminate the lease and to purchase the underlying asset) and in assessing impairment of the Organization's right-of-use assets.

In addition, lease agreements may include periodic adjustments to payment amounts for inflation or other variables, or may require payments for taxes, insurance, maintenance, or other expenses, which are generally referred to as non-lease components. The Organization elected the practical expedient to account for non-lease components together with the related lease components for all classes of leased assets. The Organization's lease agreements do not contain significant residual value guarantees or material restrictive covenants.

Lease term, discount rate, variable lease costs and future minimum lease payment determinations require the use of judgment and are based on the facts and circumstances of each lease. The Organization's lease agreements, which relate to office space, do not explicitly state the discount rate implicit in the lease. As a practical expedient permitted to private companies in Accounting Standards Codification ("ASC") 842-20-30-3, the Organization elected the use of a risk-free discount rate for all the leases instead of its incremental borrowing rate. The risk-free rate has been selected in accordance with Topic 842 as of the application date, January 1, 2022.

Beginning on January 1, 2022, operating lease right-of-use assets and liabilities are recognized on the balance sheet, with the related lease expense recognized over the term of the lease on a straight-line basis. Operating lease expense is recorded as rent expense and is included in operating expenses.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Fixed costs for operating leases are composed of initial base rent amounts plus any fixed annual increases. Variable costs for operating leases consist primarily of common area maintenance expenses and taxes for office leases.

Revenue Recognition – Grants and Contract Revenues and Contributions

Transfer of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions.

Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Organization fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Contributions are considered to be available for general operations of the Organization unless specifically restricted by the donor. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations about the use of the donated assets, or if they are designated as support for future periods.

When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as "net assets released from restrictions". Donor-restricted contributions whose restrictions are met in the same reporting period in which received are reported as net assets without donor restrictions.

Revenue Recognition – Exchange Transactions

Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions. The Organization applies ASC Topic 606, Revenues from Contracts with Customers, to exchange transactions in which it receives consideration from individuals for program services offered. Under U.S. GAAP, these arrangements are exchange transactions between the Organization and the individuals participating in the Organization's programs. The Organization recognizes revenue when the performance obligations are satisfied in accordance with a five-step model.

Nonfinancial Contributions

The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. Fair value is estimated using the average price per square foot of rental listings in the Organization's service area. The use of the donated facility is reflected in the accompanying statement of activities and statement of functional expenses under the captions "Donated facility". The donated facility is being used as a location for which the Organization operates. The estimated rental value of the donated facility was approximately $46,000 for the year ended December 31, 2024. In addition, volunteers have donated time and goods to the Organization's program services during the year; however, these donated services and goods are not reflected in the financial statements.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is exempt from income taxes as an organization (not a private Organization) formed for charitable purposes and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to the Organization within Internal Revenue Code regulations. The Organization is subject to federal and state tax on income from any unrelated business.

Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Organization's financial condition, change in net assets or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions as of December 31, 2024.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization's federal and state income tax returns are generally open to examination beginning with fiscal year ended 2021.

Functional Expenses

The cost of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses allocated include salaries and benefits, which are allocated based on analysis of personnel time and effort.

Subsequent Events

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 29, 2025, the date that the financial statements were available to be issued.

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows as of December 31, 2024:

	2024
Cash and cash equivalents	$ 1,519,584
Accounts receivable	128,127
Total financial assets available for management and general expenditures within one year	**$ 1,647,711**

3. LEASES

The Organization leases property under operating leases. For leases with terms greater than 12 months, the Organization records the related asset and obligation at the present value of lease payments over the term. For those leases that include rental escalation clauses, renewal options and/or termination options, the Organization factored these items into its determination of lease payments, when appropriate. The Organization's estimated incremental borrowing rate is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. The Organization determined that its incremental borrowing rate is approximately 3%. Operating leases had a weighted average remaining term of approximately 3 years.

The following represents the undiscounted cash flows for the remaining term of the lease liabilities recorded in the accompanying statement of financial position:

Year Ended December 31,	
2025	$ 85,587
2026	66,492
2027	38,400
Total minimum lease payments	190,479
Less amounts representing interest	(9,834)
Total lease liabilities, net of interest	180,645
Less current portion	(85,587)
Long-term portion of lease liabilities, net of interest	**$ 95,058**

Rent expense under these operating leases for the year ended December 31, 2024 totaled approximately $175,000.

4. COMMITMENTS AND CONTINGENCIES

Grants

The Organization participates in a local grant program. Amounts received and expended under this program are subject to audits by the agency to determine if activities undertaken by the Organization comply with the conditions of the grant. Management believes that no material liability will arise from any such audit.

Litigation

The Organization, from time to time, may be subject to potential claims encountered in the normal course of business. In the opinion of management, the resolution of such claims will not have a material adverse effect on the Organization's financial position, results of operations or cash flows.

SUPPLEMENTARY INFORMATION

Heartbeat of Miami, Inc.
Schedule of Expenditures of State Financial Assistance
For the year ended December 31, 2024

Florida State Agency/Grantor Program Title	CFSA Number	Contract/ Grant Number	Expenditures
Florida Department of Health			
Florida Pregnancy Care Network, Inc.			
Florida Pregnancy and Parenting Support Services Program	64.08	COCHE	**$ 875,772**

Notes to Schedule of Expenditures of State Financial Assistance

Basis of Presentation

The accompanying schedule of expenditures of state financial assistance includes the state grant activity of Heartbeat of Miami, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the State of Florida Auditor General.* Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

Blandon CPA

BLANDON CPA, PLLC

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors of
Heartbeat of Miami, Inc.
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Heartbeat of Miami, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 29, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blandon CPA PLLC

Miami, Florida
December 29, 2025

Blandon CPA

BLANDON CPA, PLLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Directors of
Heartbeat of Miami, Inc.
Miami, Florida

Report on Compliance for Each Major State Project

We have audited Heartbeat of Miami, Inc.'s (the "Organization") compliance with the types of compliance requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on the Organization's major state project for the year ended December 31, 2024. The Organization's major state projects are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state awards applicable to its state projects.

Our responsibility is to express an opinion on compliance for each major state project based on our audit of compliance conducted in accordance with Chapter 10.650, *Rules of the Auditor General*.

Opinion on Major State Project

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended December 31, 2024.

Basis for Opinion on Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Chapter 10.650, *Rules of the Auditor General*. Those standards and Chapter 10.650 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and the provisions of contracts or grant agreements applicable to the Organization's state project.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL (CONTINUED)

Auditor's Responsibilities for the Audit of Compliance (Continued)

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

In planning and performing our audit of compliance, we considered Heartbeat of Miami, Inc.'s internal control over compliance with the types of compliance requirements that could have a direct and material effect on each major state project to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report is solely to describe the scope of our testing of internal control over compliance and the results of that testing, and to provide an opinion on compliance for each major state project. This report is an integral part of an audit conducted in accordance with Chapter 10.650, Rules of the Auditor General, in considering the Organization's compliance. Accordingly, this report is not suitable for any other purpose.

Blandon CPA PLLC

Miami, Florida

December 29, 2025

Heartbeat of Miami, Inc.
Schedule of Findings and Questioned Costs – State Projects
For the year ended December 31, 2024

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with U.S. GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

State Projects

Internal control over major State project:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major State project:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(a) or Chapter (10.557 for local government entities or 10.656 for nonprofit and for-profit organizations), Rules of the Auditor General?	No
Identification of Major State Project:	
State Project:	
Florida Pregnancy and Parenting Support Services Program	State CFSA No. 64.080
Dollar threshold used to distinguish between Type A and Type B state projects:	$750,000